

EXPLANATORY MEMORANDUM

ELECTRICITY AND WATER REGULATIONS

Section 82 of the Electricity and Water Act 1988 ("the Act") provides for the making of regulations for the purposes of the Act.

Subsection 50(5) provides for the imposition of a prescribed rate of interest, by way of penalty, on charges for the supply of electricity, water and sewerage services, which have not been paid within 28 days after the due date, unless a person has been exempted by the Authority. An interest rate has not previously been prescribed.

Initially, a penalty of 20% will be imposed on overdue water and sewerage accounts only. The ACT Electricity and Water Authority has exempted persons in respect of electricity and excess water accounts under the powers conferred by subsection 50(5). This is consistent with the approach taken in NSW local government areas, where relevant interest penalties are imposed on annual water and sewerage charges only.

Details of the Regulations are set out below.

Regulation 1 provides that the Regulations may be cited as the Electricity and Water Regulations

Regulation 2 provides that the prescribed interest rate for the purposes of subsection 50(5) of the Act is 20% per annum.



Minister for Finance and Urban Services